Federal Computer Week

Inspector General says H-1B workers abuse work privileges

By Alice Lipowicz

Sep 15, 2011

About 18 percent of the skilled foreign workers allowed employment in the United States under H-1B visa programs may have committed fraud or abused the program, according to a new report from the Social Security Administration's Office of Inspector General.

Congress created the H-1B program in 1990 to allow highly skilled foreign workers to work within the U.S. for several years, primarily in high-tech fields. While U.S. tech companies say the foreign workers are critical to remaining competitive, American workers contend that the influx of additional workers undercuts their wages.

The H-1B program, which is run by the Homeland Security Department, allows work for tens of thousands of visa holders per year. The SSA provides Social Security numbers to the workers to be reported as wages in approved workplaces.

However, many H-1B workers did not fulfill those conditions. The SSA IG found that 18 percent of the H-1B workers who were assigned Social Security numbers for work in 2007 did not fulfill the assigned purpose, according to the report released Sept. 7. The review said that finding applied to 7,131 H-1B recipients of a total of 38.546 H-1B recipients evaluated.

Of the total cases reviewed, 11 percent worked for an employer other than the one approved by DHS, while 7 percent posted no wages during the two-year period studied, the report states.

For the 18 percent of the H-1B visa recipients who did not follow the rules, the report said it resulted in unauthorized use of the H-1B visa program.

"Unauthorized work by H-1B workers weakens SSN integrity and may require that the agency pay future benefits to individuals who misuse an SSN to work in the United States. In addition, H-1B workers who do not work for their approved employers could pose a risk to homeland security because they may obtain employment in sensitive areas," the report states.

Applying the percentages to the entire H-1B visa holder cohort, the report concludes that thousands of H-1B visa holders may be engaging in unauthorized work each year.

"While we recognize SSA is not responsible for immigration enforcement, unauthorized work by non-immigrants impacts the agency by weakening SSN integrity," Patrick O'Carroll Jr., SSA inspector general, wrote in the report.

"We recognize there is no easy way to fix this problem. However, we believe SSA has an opportunity to help address unauthorized work by non-immigrants."

O'Carroll recommended that the SSA work with DHS to offer to establish a data match agreement to better identify the H-1B visa holders who do use their Social Security numbers for purposes other than approved work.

SSA managers agreed with the recommendations.